



Articles of Incorporation

ARTICLE I

The name of the cooperative is New Pioneer's Cooperative Society.

ARTICLE II

The purposes for which the Cooperative is formed are:

1. to provide a mechanism for the consumption and production of food and related products;
2. to stimulate the consumption of organically grown foods and the local production of such foods;
3. to promote products which involve collective decision making, community control and humane practices in their production and distribution;
4. to encourage respect for the earth and its people and to recognize our interrelationship with all life on it;
5. to do and perform, either for itself or as an agent for its members, any and all acts and things, and to have and exercise any and all powers as may be necessary or convenient to accomplish any or all the foregoing, as may be permitted by the Act under which the Cooperative is formed [Iowa Code Ch. 499], in this State and in any other state.

ARTICLE III

The Cooperative shall have perpetual existence. [Iowa Code Ch. 499.40.3].

ARTICLE IV

The location of the principal office of the Cooperative is 22 S. Van Buren Street, Iowa City, County of Johnson, State of Iowa.

ARTICLE V

The name, occupation and post office address of each incorporator are:

Joel G. Briggs, Graduate Student, 937 E. Jefferson St., Iowa City, Iowa

Roger P. Boldt, Farmer, RR 1, Box 87, Kalona, Iowa

Donald F. Mazziotti, Graduate Student, 925 Kirkwood Ave., Iowa City, Iowa

David C. Ranney, Professor, 846 Kirkwood Ave., Iowa City, Iowa;

and Jenny L. Jensen, Secretary, RR 2, Box 233, Iowa City, Iowa.

ARTICLE VI

Section 1. Number and qualifications of Directors.

The affairs of the Society shall be managed by a Board of Directors comprised of no less than five (5) voting members who must be members of the Society or officers or members of a member-association. [Iowa Code Ch. 499.36].

Section 2. Officers.

The directors of the Cooperative shall select from their own number a president, one or more vice-president(s), a secretary-treasurer, or a secretary and a treasurer, and shall fill vacancies in such offices. [Iowa Code Ch. 499.37].

Section 3. Terms of directors; vacancies on the Board.

After January 1, 1986, the directors shall be elected to three-year terms. The terms of the directors shall be staggered. In the event of vacancy on the Board for any cause, the remaining directors shall appoint an interim director from among the shareholders, to serve under the same terms as the regular director(s) until the next membership meeting, at which an election to fill the vacancy shall be held. If the vacancy occurs less than 45 days before the next membership meeting, so that adequate notice of the vacancy cannot be given, the interim director shall serve until the following membership meeting, or until the end of the term of the vacating director, whichever comes first.

Section 4. Election of Directors.

All elections of directors shall be held during annual, quarterly, or special member meetings. Using a paper ballot, each member with voting rights may cast as many votes as there are directors to be elected. If there are more nominations than positions vacant, the nominees receiving the highest number of votes shall be declared elected. In the event of a tie vote, there shall be a runoff election between the tied candidates.

[Iowa Code Ch. 499.40.5].

Section 5. Removal of Directors and Officers.

Removal of Directors and Officers. At any meeting called for that purpose, any officer or director may be removed by vote of a majority of all voting members of the Cooperative using paper ballots made available to all members in good standing.

{Iowa Code Ch. 499.38} (Amended 2011)

Section 6. Referendum.

Any action of the directors of the Cooperative shall, on demand of two directors, or of one-third of the directors, whichever number shall be greater, made and recorded at the same meeting, be referred to a regular or special meeting of members called for such purpose. Such action shall stand until and unless annulled by a majority of the votes cast at such meeting, which vote shall not impair rights of third parties previously acquired.

[Iowa Code Ch. 499.39].

Section 7. Duties of directors.

The By-Laws of the Cooperative shall provide for all duties and responsibilities of the directors, not controlled by the Articles of Incorporation of the Cooperative, except that the Board shall not undertake any expansion to a new location or relocation of the retail business operations of New Pioneer Cooperative without a favorable vote by the members; a simple majority of members voting in the affirmative shall constitute approval.

ARTICLE VII

Section 1. Capital stock

The Cooperative shall not have capital stock. [Iowa Code Ch. 499.40.6b].

Section 2. Eligibility.

Individuals sixteen (16) years of age and older are eligible for membership in the Society if they are engaged in producing products marketed by the Society, or if they customarily consume or use the supplies or commodities it handles, or use the services it renders. Other cooperative associations (as defined by Chapter 499.2 of the Iowa Code) may be accepted for membership by the Board of Directors if they are engaged in any directly or indirectly related activity. [Iowa Code Ch. 499.13].

Section 3. Admission of Members.

Any person, firm, or corporation may become a member of the Cooperative by signing a member share purchase agreement and agreeing to comply with and be bound by the terms and conditions relating to membership contained in these Articles of Incorporation and the By-Laws of the Cooperative and any amendments thereto. However, no applicant may become a member of the Cooperative unless and until that individual has been accepted for membership by the Board of Directors or by its duly authorized representative. Upon making partial payment and giving a note for the balance, as evidenced by the signing of a member share purchase agreement, a member has voting and other membership rights. No membership certificate shall be issued until fully paid for. No subscriber shall hold office until her/his certificate has been issued. [Iowa Code Ch. 499.16].

Section 4. Certificates of Membership.

The Society shall issue certificates of membership, each of which state the fixed dividend, if any, and the restrictions or limitations upon its ownership, voting transfer, redemption, or cancellation. [Iowa Code Ch. 499.15].

Section 5. Withdrawal of Membership.

If a member withdraws from membership, the amount of equity accumulated in the member's share account shall be refunded. The member shall no longer be held liable for the balance of her/his member share purchase agreement. The Society reserves the right to pay the refund only after the equivalent sum has been received in cash as member share amounts paid by members joining after the date such refund was authorized.

Refunds shall be made in the order in which they were authorized. [Iowa Code Ch. 499.20].

Section 6. Cancellation of Membership.

No membership shall be transferable, and the board may expel any member who attempts to transfer her/his membership, or who has willfully violated any articles or by-laws which provides for such penalty. All certificates shall be surrendered to the Society on the member's voluntary withdrawal. [Iowa Code Ch. 499.17 and 499.18].

If a member dies, or becomes ineligible, his/her membership shall forthwith be cancelled.

In cases of expulsion, the association shall pay him/her its value as shown by the books on the date of cancellation, but not more than its original issuing price, within sixty days thereafter. In cases of death or ineligibility, it shall pay such value to her/him, or to his/her personal representative within two years thereafter, without interest. [Iowa Code Ch. 499.19]. If no claim is presented to the Society within a period of two years from the date of death, such equity will be considered abandoned and will not be refunded.

Section 7. Issuing Price of Membership.

The issuing price of member shall be sixty dollars (\$60.00). Each eligible party may purchase one member share, and one share only. The Board of Directors may establish various installment payment schedules for purchase of member shares. A service fee may be charged on purchases made in installments.

Section 8. Good Standing.

A member who has completed his or her share payments, or whose share account is not more than sixty days delinquent, shall be in good standing.

Section 9. Rights of Subscribers.

Patronage dividends to subscribers whose membership is not fully paid in cash shall be applied toward such payment until it is completed. [Iowa Code Ch. 499.32]. A subscriber who is not in good standing shall not be entitled to shop at member prices nor to receive working member discounts until his or her account is restored to good standing.

If a member has not paid the member share amount in full within two years of signing the member share purchase agreement, the agreement shall lapse and all rights and privileges of membership shall be forfeited. The sum accumulated in that member's share account shall be considered abandoned equity and shall not be refunded. The member shall be informed in writing of this determination and has the right to appeal in writing to the Board of Directors or its designated agent within six months of such determination. [Iowa Code Ch. 499.32].

Section 10. Voting Rights of Members.

Each member in good standing shall be entitled to one vote and no more upon any single subject, which vote shall be not cast by proxy. The vote of a member association shall be cast only by its representative duly authorized in writing. [Iowa Code Ch. 499.28 and 499.29].

Section 11. Distribution of Earnings.

The directors shall annually dispose of the earnings of the Cooperative in excess of its operating expenses as follows:

To provide a reasonable reserve for depreciation, obsolescence, bad debts, or contingent losses or expenses.

At least ten percent of the remaining earnings must be added to surplus until surplus equals either thirty percent of total of all capital paid in member shares, plus all unpaid patronage dividends, plus certificates of indebtedness payable upon liquidation, or one thousand (\$1,000.00) whichever is greater. No additions shall be made to surplus whenever it exceeds either fifty percent of such total, or one thousand dollars (\$1,000.00), whichever is greater.

Not less than one percent not more than five percent of such earnings in excess of reserves may be placed in an educational fund, to be used as the directors deem suitable for teaching or promoting cooperation.

After the foregoing, to pay fixed dividends on membership, if any.

All remaining net earnings shall be allocated to the account of each member, including the subscribers described in the Section 499.16 of the Code of Iowa ratably in proportion to the business the member had done with the association during such year. The directors shall determine the percentage or the amount of said allocation that currently shall be paid in cash, provided that so long as there are unpaid deferred patronage dividends of deceased members for prior years the amount currently payable in cash shall not exceed twenty percent of said allocation. All said remaining allocation not so paid in cash shall be transferred to a revolving fund and credited to said members and subscribers. Such credits in the revolving fund shall be referred to as deferred patronage dividends.

[Iowa Code Ch. 499.30].

Section 12. Patronage Dividend Certificates.

The directors may cause the Society to issue transferable or non-transferable certificates for deferred patronage dividends. [Iowa Code Ch. 499.30].

ARTICLE VIII

The private property of the members shall be exempt from execution for the debts of the corporation. [Iowa Code Ch. 499.12].

ARTICLE IX

Section 1. First Regular Meeting of Members.

The date of the first regular meeting of members of the Cooperative shall be held on Monday, September 27, 1971. [Iowa Code Ch. 499.27].

Section 2. Notice of Meetings.

Unless he or she waives it in writing, each member shall have ten days written notice of the time and place of all member meetings, and of the purpose of all special meetings. Such notice shall be given to her/him in person or by mail directed to the address shown on the books of the Society, or by publication in a newspaper published by the Society. [Iowa Code Ch. 499.27].

Section 3. Special Meetings.

The directors of the Cooperative may call special meetings of members, and must do so upon written demand of twenty (20) percent of the members or 100 members, whichever is fewer. [Iowa Code Ch. 499.27].

ARTICLE X

Section. 1. Amendment of Articles of Incorporation.

The Society may amend its Articles of Incorporation by a vote of sixty-six and two-thirds percent of the members present, or represented by mailed ballots, and having voting privileges, at any annual meeting, or any special meeting called for that purpose, provided that at least ten days before said annual meeting or special meeting a copy of the

proposed amendment or summary thereof be sent to all members having voting rights.
[Iowa Code Ch. 499.41 (1973)].

Section 2. Amendment of By-Laws.

The directors, by a vote of seventy-five (75) percent of the directors, may adopt, alter, amend, or repeal By-Laws for the Cooperative, which shall remain in force until altered, amended or repealed by a vote of seventy-five (75) percent of the members present, having voting rights, at any annual meeting, scheduled meeting or special meeting of the membership. [Iowa Code Ch. 499.46].

ARTICLE XI

Section 1. Distribution in Liquidation.

On dissolution or liquidation, the assets of the Society shall be distributed in accordance with Iowa Code Chapter 499.48.

Approved by the membership,

October, 1985

Amended, 2011